
Introduced by Senator Cox

February 22, 2005

An act to add Section 20194 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 690, as introduced, Cox. Public contracts: utility districts: competitive bids.

The Local Agency Public Construction Act sets forth the requirements for competitive bidding on various types of contracts awarded by local agencies. Under existing provisions of that act, most public utility districts, when letting various contracts over a specified dollar amount, are required to let the contracts to the lowest responsible bidder. Existing law establishes a threshold of \$2,000 or more for the costs of construction of any office building, warehouse, or garage of the district.

This bill would establish a threshold of \$15,000 or more for all other public work contracts awarded by a municipal utility district, and would prescribe the procedures to be followed in the advertisement and solicitation of bids for these public work contracts. This bill would provide that, upon unanimous consent of the district's board, and in response to an emergency, as defined, a public work may be performed, without advertising for bids, by day labor.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 20194 is added to the Public Contract
- 2 Code, to read:

1 20194. (a) Except as provided in Section 20192, every
2 project for a public work as defined in subdivision (b) of Section
3 20104, shall, if the cost of materials, supplies, and labor exceeds
4 fifteen thousand dollars (\$15,000), be let to the lowest
5 responsible bidder.

6 (b) The board of the district shall adopt plans and
7 specifications for a public work project prepared by, or on behalf
8 of, the district's general manager pursuant to subdivision (e) of
9 Section 11937 of the Public Utilities Code.

10 (c) (1) The district shall advertise for bids for the public work
11 in accordance with the plans and specifications adopted by the
12 board of the district.

13 (2) A notice inviting bids for the public work project shall be
14 published for two successive weeks, in accordance with Section
15 6066 of the Government Code, in a newspaper of general
16 circulation within the jurisdiction of the district. The last
17 publication of the notice shall be made at least one week prior to
18 the time specified for receiving bids.

19 (d) All bids for the public work shall be presented under
20 sealed cover and shall be accompanied by one of the following
21 forms of bidder's security:

22 (1) Cash.

23 (2) A cashier's check made payable to the district.

24 (3) A certified check made payable to the district.

25 (4) A bidder's bond executed by an admitted surety insurer,
26 made payable to the district.

27 Upon an award to the lowest bidder, the security of an
28 unsuccessful bidder shall be returned in a reasonable period of
29 time, but in no event shall that security be held by the district
30 beyond 60 days from the time the award is made.

31 (e) The person or entity to whom the contract is awarded shall
32 be required to execute a bond for the faithful performance of the
33 contract. The form of the bond shall be approved by the board of
34 the district.

35 (f) In cases of great emergency and when necessary to protect
36 life and property, the board of the district, by unanimous vote of
37 all members present, may without advertising for bids therefor,
38 have the public work performed by day labor.

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